PATENT
IBM Docket No. DE9-2000-0047US1

Remarks

This paper is response to the Office action mailed January 4, 2005. That action rejected all ten claims in the subject application under 35 USC 103(a) over a single reference - US 6,119,933-Wong, hereafter referred to as *Wong*. It is submitted, for reasons set forth below, that the rejection is completely inappropriate and needs to be withdrawn.

Applicants' invention is a system for efficiently handling customer loyalty data. The one thing Applicants' system has in common with known prior art systems is that the system includes a back-end or central computer that includes a database for storing loyalty program rules and user data.

Applicants' system differs from known prior art systems in at least two ways. First, Applicants' system includes at least one front-end computer that also contains a database for storing the loyalty program rules and user data as well as a spreadsheet engine for processing user transaction data in accordance with the loyalty program rules stored in the front-end computer. Second, Applicants' system includes a communications link for maintaining synchronization between the loyalty program rules stored in the back-end computer and the front-end computer.

Each of the ten claims now in the subject application. Claim 1 (and its dependent claims 2-5) recite a computer system with a front-end computer having a database for storing loyalty rules and a spreadsheet engine. These claims also recite a communication link for synchronizing the front-end database with a similar database in a back-end computer. Claim 6 (and its dependent claims 7-8) recite a front-end computer device with the database and the spreadsheet engine. The same claims also recite the front-end computer device can also be coupled to a back-end computer device to synchronize the front-end device database with a back-end device database. Claim 9 (and its dependent claim 10) recite a method for performing a transaction

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including the steps of inputting customer-identifying and transaction data into a front-end computer device having a loyalty rules database and a spreadsheet engine and of processing the data in the spreadsheet engine in accordance with a loyalty rule. The claims also recite synchronizing the front-end computer device with a back-end computer.

In known prior art systems, the database for storing loyalty program rules exists only as part of a central or back-end computer. The *Wong* system falls in this category of systems.

The *Wong* patent discloses a system for customer loyalty and marketing analysis. In the *Wong* system, customer loyalty information is described only as being stored in a central data warehouse. See Column 2, lines 3-15, of the *Wong* specification where it is stated:

"... the system keeps track of customer frequency award points in order to encourage customers to participate in the system. A mechanism is provided for customers to directly interact with this customer loyalty system .... According to one embodiment, this interface is provided via the World Wide Web over the Internet wherein customers are allowed to interact directly with aspects of the data warehouse...."

Notwithstanding the "According to one embodiment" language, there is nothing in the *Wong* specification to suggest that a customer may interact with the customer loyalty system in any way other than over an interface "provided via the World Wed Web over the Internet".

While the *Wong* specification does indicate that a point of sale system may include a local database, the only function that database appears to be used for is to identify the customer. See *Wong,* column 1, lines 31-42)

The Office action expressly admits that *Wong* lacks any showing of "a front-end computer having a second database for storing loyalty rules and ... a spreadsheet engine for processing user transaction data in accordance with the loyalty rules" or of a "communication link ... for synchronization...." of databases. The action then states that it would have been obvious for one of <u>ordinary</u> skill in the art to interpret *Wong* as showing the very things it already specifically admits are not shown because "modification and interpretation of the cited disclosure of <u>Wong</u> would have provided means to '[keep] track of customer frequency award points ...' (see Wong (col. 2, ll. 3-10) based on the motivation to modify <u>Wong</u> so as to '*encourage customers to participate in the system....*'".

The foregoing quotation from the *Wong* specification is accurate as far as it goes but totally ignores that the quoted material also states that customers are encouraged to participate in the system through an "interface ... provided by the World Wide Web over the Internet wherein customers are allowed to interact directly with aspects of the [centra] data warehouse".

Since the *Wong* specification already contains an explanation how customers can be encouraged to participate in a loyalty program (i.e., by interacting with a central data warehouse), there is no logical basis for a position that the same statement would somehow make it obvious to one of <u>ordinary</u> skill in the art to add another customer loyalty database to a front-end system. The *Wong* specification teaches that customers are encourage to interact with a database in a central data warehouse. Adding a database to a front-end system wouldn't give them any more encouragement to participate.

Neither the modification that would have to be made to the Wong system in order to meet the recitations of Claims 1 through 10 nor any motivation for making the modification can be found in Wong.

It is submitted that the rejection of claims 1-10 over *Wong* fails to comply with the requirements of MPEP 706.02(j) and should be withdrawn.

As no other prior art is cited, the claims currently in the application should be allowed.

Respectfully Submitted,

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